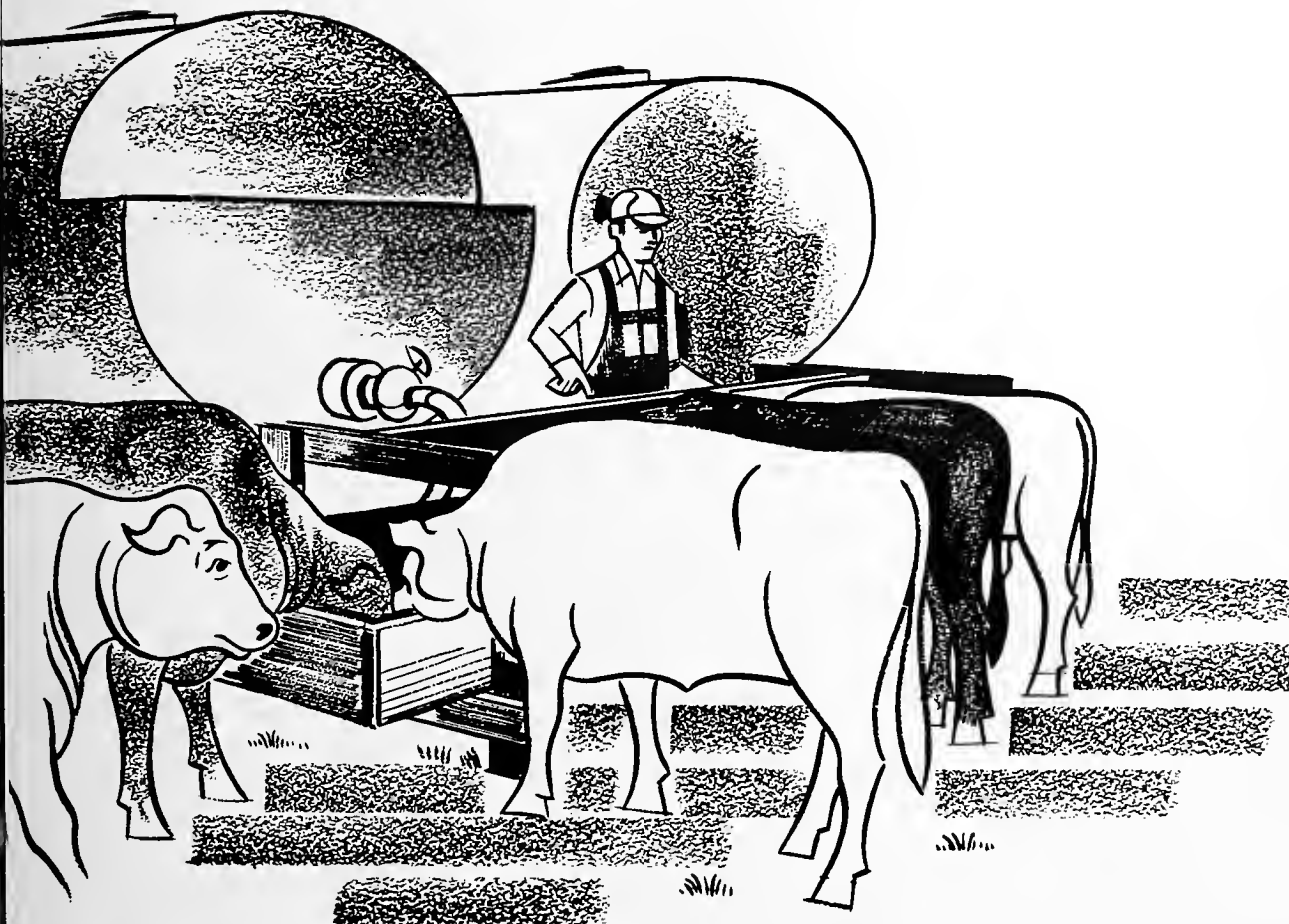


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Molasses **MARKET NEWS**



MARKET SUMMARY 1971

AGRICULTURAL MARKETING SERVICE
U. S. DEPARTMENT OF AGRICULTURE, HOUSTON, TEXAS

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MOLASSES MARKET NEWS - ANNUAL SUMMARY

HIGHLIGHTS OF 1971

Feeding cane molasses prices advanced the first months of the year, leveled during the April-August period, then began a gradual decline. Despite late downturns prices for the year averaged about 5% above a year ago. Total usage of molasses was slightly below a year ago.

PRICES

Cane Molasses Prices

Cane molasses prices were influenced heavily during the fall period by weaker feed grain prices. The prices at New Orleans, the principal market, closed out the year about 1¢ per gallon above a year ago as tightly held supplies countered the interior weakness and pressures by other feed commodities. Interior markets also ended the year with higher prices but in most instances reflecting higher freight rates imposed during the year.

Beet Molasses

Prices of beet molasses turned upward about 60¢ per ton in the Colorado-Wyoming-Montana area where supplies were tightly held and used primarily in local feeding areas. In other principal production areas prices held steady with an even balance between supplies and demand.

Citrus Molasses

Decreased supplies in the Florida production area and the continuation of adding the molasses to citrus pulp kept liquid supplies in short position. Prices averaged \$19.00 per ton for the year, about \$1.50 above a year ago.

Comparative Values

The price relationship between corn and molasses, for the first time in three years, favored corn at principal Mid-Western markets. Based on the average for the year, the difference is fairly narrow, but the monthly comparisons show a wider value spread late in the year--14¢ in favor of corn at Chicago in the month of December. The favorable corn value reflects the lower priced corn due to the years bumper crop.

SUPPLY AND DISTRIBUTION

Production of mainland blackstrap in 1971 was estimated to be about 1 1/2 million greater than 1970. In-shipments from Hawaii and Puerto Rico decreased about 8 1/2 million gallons. Assuming an extraction rate of 5.4 gallons per ton of beets, the production of beet molasses in 1971 would be down about 8 million gallons from the record 158.7 gallons produced in 1970 harvest season. Molasses imports from foreign countries totaled near 400 million gallons, an increase of 18 million gallons over last year. This volume continues the upward trend of recent years and indicates an aggressive demand for molasses by cattle feeders.

1970	.....	16.50	16.50	16.50	16.50	16.50	16.00	15.70	15.25	15.00	15.00	15.00	15.00	15.00	15.70
1971	.....	15.65	15.90	16.10	17.00	17.00	17.00	17.00	17.00	17.00	16.50	16.25	16.00	16.00	16.45
<u>Norfolk</u>															
1970	.....	16.50	16.50	16.50	16.50	16.50	16.00	15.70	15.25	15.00	15.00	15.00	15.00	15.00	15.70
1971	.....	15.65	15.90	16.10	17.00	17.00	17.00	17.00	17.00	17.00	16.50	16.25	16.00	16.00	16.45
<u>Baltimore</u>															
1970	.....	16.50	16.50	16.50	16.50	16.50	16.00	15.70	15.25	15.00	15.00	15.00	15.00	15.00	15.70
1971	.....	15.65	15.90	16.10	17.00	17.00	17.00	17.00	17.00	17.00	16.50	16.25	16.00	16.00	16.45
<u>Philadelphia</u>															
1970	.....	16.50	16.50	16.50	16.50	16.50	16.00	15.70	15.25	15.00	15.00	15.00	15.00	15.00	15.70
1971	.....	15.65	15.90	16.10	17.00	17.00	17.00	17.00	17.00	17.00	16.50	16.25	16.00	16.00	16.45
<u>New York</u>															
1970	.....	16.50	16.50	16.50	16.50	16.50	16.00	15.70	15.25	15.00	15.00	15.00	15.00	15.00	15.70
1971	.....	15.65	15.90	16.10	17.00	17.00	17.00	17.00	17.00	17.00	16.50	16.25	16.20	16.15	16.50
<u>Boston</u>															
1970	.....	17.00	17.00	17.00	17.00	17.00	16.50	16.20	15.75	15.50	15.50	15.50	15.50	15.50	16.20
1971	.....	16.15	16.40	16.60	17.50	17.50	17.50	17.50	17.50	17.50	17.00	16.75	16.50	16.50	16.95
<u>Albany</u>															
1970	.....	17.00	17.00	17.00	17.00	17.00	16.50	16.20	15.75	15.50	15.50	15.50	15.50	15.50	16.20
1971	.....	16.15	16.40	16.60	17.50	17.50	17.50	17.50	17.50	17.50	17.00	16.75	16.50	16.50	16.95
<u>Buffalo</u>															
1970	.....	20.50	20.50	20.50	20.50	20.50	20.50	20.20	19.75	19.50	19.50	19.50	19.50	19.50	20.00
1971	.....	20.15	20.55	20.75	21.50	21.50	21.50	21.50	21.50	21.50	21.00	20.75	20.50	20.50	20.95
<u>Toledo</u>															
1970	.....	20.90	20.90	20.90	20.90	20.90	20.70	20.60	20.30	20.20	20.20	20.20	20.20	20.20	20.50
1971	.....	21.20	21.85	21.75	22.25	22.25	22.15	21.95	21.95	21.95	21.95	21.80	21.30	21.20	21.75
<u>Cincinnati</u>															
1970	.....	20.45	20.60	20.60	20.60	20.60	20.30	20.00	19.60	19.30	19.30	19.30	19.30	19.30	19.90
1971	.....	21.05	21.40	21.45	21.95	21.95	21.95	21.80	22.00	22.00	22.00	21.70	21.30	21.25	21.65
<u>Minneapolis</u>															
1970	.....	22.20	22.20	22.20	22.20	22.20	21.60	21.40	21.00	20.80	20.80	20.85	20.85	20.85	21.40
1971	.....	21.50	22.25	22.50	22.75	22.75	22.80	22.50	22.50	22.50	22.30	21.90	22.00	22.05	22.30

(Continued on next page)

Table 1.--(Continued)--Molasses, blackstrap: Prices by months, f.o.b. tank car or tank truck, 1970-71

[illegible]

Table 2.--Molasses, beet, citrus and corn (hydrol): Prices by months,
f.o.b. tankcar or tank truck, 1970-71

Year	: Jan. :	: Feb. :	: Mar. :	: Apr. :	: May :	: June :	: July :	: Aug. :	: Sept. :	: Oct. :	: Nov. :	: Dec. :	: Av. :
	--Dollars per ton--												
<u>Beet molasses</u>													
1970	37.40	37.40	37.40	37.40	37.40	37.40	35.15	35.15	35.15	35.60	35.75	35.75	36.40
1971	35.90	36.40	36.40	36.55	36.90	37.40	37.40	37.40	37.40	37.40	37.40	37.40	37.00
1970	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00
1971	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00
<u>Citrus molasses</u>													
1970	17.50	17.50	16.00	16.00	17.50	17.50	17.50	17.50	17.50	17.50	18.40	19.00	17.50
1971	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00
<u>Corn (hydrol) molasses</u>													
1970	33.00	33.00	33.00	33.00	32.50	31.80	31.00	30.00	30.00	30.00	30.00	30.25	31.50
1971	31.00	31.00	31.00	31.50	32.75	33.00	33.00	33.00	32.25	32.00	32.00	32.00	32.05
1970	33.00	33.00	33.00	33.00	32.50	31.80	31.00	30.00	30.00	30.00	30.00	30.25	31.50
1971	31.00	31.00	31.00	31.50	32.75	33.00	33.00	33.00	32.25	32.00	32.00	32.00	32.05

MOLASSES PRICES

F.O.B. Tank Car, New Orleans

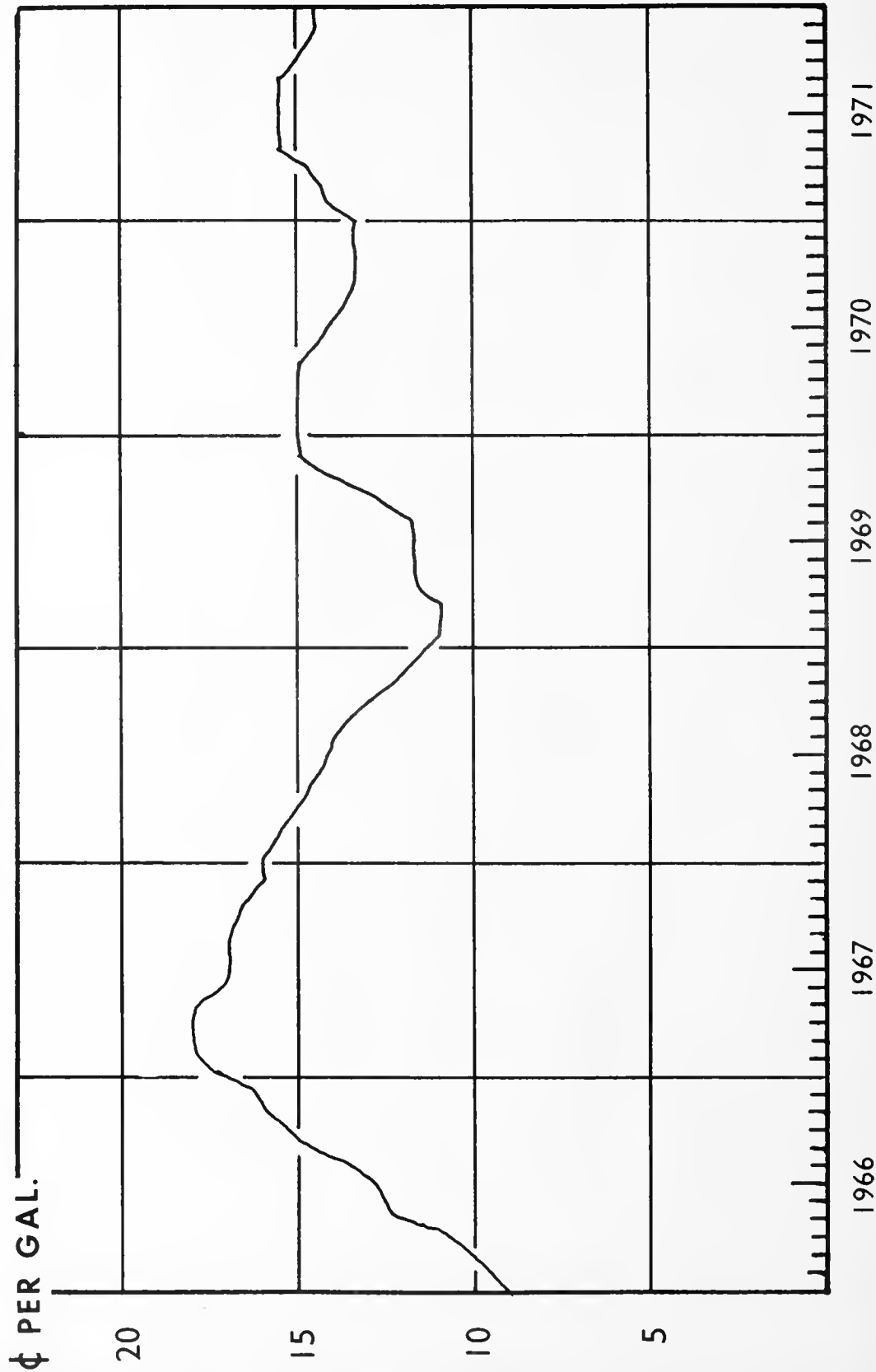


Table 3.--Price comparisons between molasses and No. 2 yellow corn at Baltimore, Chicago and Kansas City, 1967-71 ^{1/}

Year	Baltimore			Chicago			Kansas City		
	Corn	Molasses	Differ-	Corn	Molasses	Differ-	Corn	Molasses	Differ-
	: bu.	: 6½ gal.	: ence	: bu.	: 6½ gal.	: ence	: bu.	: 6½ gal.	: ence
	--Cents--								
1967	133.0	117.5	+15.5	129.5	145.0	-15.5	129.6	146.3	-16.7
1968	114.0	100.1	+13.9	113.8	124.7	-10.9	119.6	125.8	- 6.2
1969	130.0	92.3	+37.7	123.5	120.3	+ 3.2	125.2	119.0	+ 6.2
1970	143.5	102.1	+41.4	137.3	132.0	+ 5.3	136.0	134.6	+ 1.4
1971	143.8	106.9	+36.9	138.6	138.8	- 0.2	138.8	145.0	- 6.2

^{1/} A "rule of thumb" measure-- 6-1/2 gallons of molasses are about equivalent in carbohydrate value to one bushel of corn--is widely used to compare the carbohydrate value of molasses and corn. This measure is based on experiments conducted to evaluate the energy produced from one bushel of corn and the amount of molasses required to produce the same amount of energy.

Table 4.--Molasses: Hawaiian and Puerto Rican production, shipments to the U. S. mainland, and exports to other countries, 1967-71

Year	Hawaii		Puerto Rico		
	Production	Shipments to U. S. mainland	Production	Shipments to U. S. mainland	Exports to other countries
	: ^{1/}	: ^{2/}	: ^{3/}	: ^{4/}	: ^{4/}
	--1,000 gallons--				
1967	61,419	55,662	52,100	5,618	14,120
1968	62,936	66,157	43,955	6,201	9,134
1969	58,198	48,430	41,600	4,614	5,893
1970	55,143	56,937	45,412	3,193	8,794
1971 ^{5/}	56,469	50,111	30,930	1,452	2,419

^{1/} Statistical Reporting Service, U. S. Department of Agriculture.

^{2/} Hawaiian Sugar Planters Association.

^{3/} Association of Sugar Producers of Puerto Rico.

^{4/} Bureau of the Census, U. S. Department of Commerce.

^{5/} Estimated.

Table 5.--Molasses, inedible: U. S. imports by country of origin
and customs districts, 1971

	Arizona	Connecticut	El Paso	Florida	Galveston	Georgia
	--1,000 gallons--					
Australia	-	-	-	-	-	-
Barbados	-	-	-	-	-	-
Brazil	-	-	-	-	2,170	-
British Honduras	-	-	-	-	-	817
Canada	-	-	-	-	-	-
Canal Zone	-	-	-	-	-	-
Colombia	-	-	-	-	-	-
Costa Rica	-	-	-	-	-	-
Dominican Republic	-	-	-	-	2,765	-
Ecuador	-	-	-	-	-	-
El Salvador	-	-	-	-	-	-
France	-	8,095	-	-	-	-
Guatemala	-	-	-	-	-	-
Guyana	-	-	-	-	-	1,507
Haiti	-	-	-	-	-	-
Honduras	-	-	-	-	-	581
Jamaica	-	-	-	-	-	339
Kenya	-	-	-	-	-	-
Mauritania	-	-	-	-	-	-
Mauritius	-	-	-	-	-	-
Mexico	6,149	-	11,547	-	-	-
Mozambique	-	-	-	1,123	-	-
Netherlands	-	-	-	-	-	-
Nicaragua	-	-	-	-	-	-
Other Pacific Island	-	-	-	-	-	-
Pakistan	-	-	-	-	-	-
Panama	-	-	-	-	-	-
Peru	-	-	-	-	1,657	-
Philippines	-	-	-	-	-	-
Republic of South Africa:	-	1,666	-	-	-	-
Sudan	-	-	-	-	-	-
Trinidad and Tobago	-	-	-	-	-	3,802
Venezuela	-	-	-	-	-	-
Total 1971 1/.....	6,149	9,761	11,547	1,123	6,592	7,046
Total 1970	3,498	11,280	15,335	3,642	8,045	7,247

1/ Includes 211,000 gallons imported into the Chicago District and 1,539,000 into the Ohio District.

Table 5.--Molasses, inedible: U. S. imports by country of origin
and customs districts, 1971

Houston	Laredo	Los Angeles	Maine & N.H.	Maryland	Massachusetts	Mobile
--1,000 gallons--						
9,505	-	-	-	1,741	-	3,656
-	-	-	104	-	-	-
4,197	-	-	-	-	-	-
2,086	802	-	-	-	-	-
-	-	-	157	-	-	-
-	-	-	-	-	-	-
1,413	-	-	-	-	-	-
956	-	372	-	-	-	-
3,422	-	-	-	2,123	2,887	-
2,700	-	1,385	-	-	-	1,636
-	-	3,739	-	-	-	-
-	-	-	-	684	-	-
6,704	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
194	-	-	-	-	-	-
4,698	-	-	-	2,486	-	-
-	-	-	-	4,913	-	-
-	-	-	-	-	-	3,099
3,029	-	-	-	9,740	-	3,335
17,399	2,690	14,864	-	4,549	-	1,927
-	-	-	-	-	-	-
-	-	-	-	1,919	-	-
1,110	-	4,748	-	-	-	-
734	-	-	-	-	-	3,409
-	-	-	-	-	-	2,217
953	-	-	-	-	-	-
7,571	-	200	-	-	-	1,038
-	-	2,353	-	-	-	-
691	-	-	-	-	-	-
2,589	-	-	-	-	-	-
-	-	-	-	3,308	-	-
2,806	-	-	-	-	-	2,966
72,757	3,492	27,661	261	31,463	2,887	23,283
57,973	1,286	17,718	173	20,132	3,305	13,028

(Continued on next page)

Table 5.--Molasses, inedible: U. S. imports by country of origin
and customs districts, 1971 (continued)

	: New : Orleans :	New York :	North Carolina :	Phila- delphia :	Port- land :	Puerto Rico :
	--1,000 gallons--					
Australia	12,864	2,520	-	-	787	-
Barbados	-	1,535	-	-	-	-
Brazil	22,025	-	-	2,583	-	6,096
British Honduras	883	-	-	-	-	-
Canada	-	-	-	-	-	-
Canal Zone	80	-	-	-	-	-
Colombia	1,197	1,245	-	-	-	-
Costa Rica	-	-	-	-	-	-
Dominican Republic	6,123	2,021	4,341	1,004	-	2,552
Ecuador	2,334	1,706	-	-	-	-
El Salvador	-	-	-	-	-	-
France	-	2,800	-	-	-	-
Guatemala	1,755	-	-	-	-	-
Guyana	-	1,203	-	-	-	-
Haiti	754	3,437	-	-	-	643
Honduras	551	-	-	-	-	-
Jamaica	3,091	4,670	-	-	-	-
Kenya	3,422	3,171	-	-	-	-
Mauritania	2,525	-	-	-	-	-
Mauritius	-	3,368	-	-	-	-
Mexico	43,033	-	-	-	-	-
Mozambique	-	1,584	-	-	-	-
Netherlands	-	-	-	-	-	-
Nicaragua	1,752	-	-	-	-	-
Other Pacific Islands ..	-	-	-	-	-	-
Pakistan	-	7,923	-	-	-	-
Panama	1,442	-	-	-	-	-
Peru	9,180	-	-	-	-	-
Philippines	-	-	-	-	-	-
Republic of South Africa:	1,494	6,683	-	-	-	-
Sudan	-	-	-	-	-	-
Trinidad and Tobago	-	933	-	2,136	-	-
Venezuela	-	-	-	-	-	-
Total 1971	114,505	44,799	4,341	5,723	787	9,291
Total 1970	130,007	50,739	3,635	7,076	-	7,091

Bureau of the Census

Table 5.-- Molasses, inedible: U. S. imports by country of origin
and customs districts, 1971 (continued)

Sabine	San Diego	San Francisco	Vermont	Virginia	Washing- ton	Total 1971	Total 1970
--1,000 gallons--							
-	-	-	-	1,907	1,607	34,587	28,010
-	-	-	-	-	-	1,639	8,862
-	-	-	-	-	-	37,071	32,633
-	-	-	-	-	-	4,588	5,365
-	-	-	12	-	-	169	419
-	-	-	-	-	-	80	-
-	-	-	-	-	-	3,855	8,090
-	-	-	-	-	-	1,328	837
-	-	-	55	-	-	27,293	34,325
-	-	-	-	-	-	9,761	9,674
-	1,519	-	-	-	-	5,258	6,139
-	-	-	-	-	-	11,579	14,015
-	-	-	-	-	-	8,459	6,801
-	-	-	-	-	-	2,710	5,839
-	-	-	-	-	-	4,834	4,167
-	-	-	-	-	-	1,326	1,215
-	-	-	-	-	-	15,284	18,376
-	-	-	-	-	-	11,506	7,422
-	-	-	-	-	-	5,624	3,727
-	-	-	-	-	-	19,472	5,958
1,423	190	-	-	2,107	-	105,878	81,387
-	-	-	-	-	-	2,707	3,340
-	-	-	-	-	-	1,919	-
-	1,490	-	-	-	-	9,100	5,154
-	-	-	-	-	-	4,143	3,447
-	-	-	-	-	-	10,140	9,898
-	-	-	-	-	-	2,395	2,655
-	-	-	-	-	-	19,646	11,675
-	1,154	4,832	-	-	-	8,339	10,665
-	-	-	-	-	-	10,534	11,341
-	-	-	-	-	-	2,589	-
-	-	-	-	-	-	10,179	13,875
-	-	-	-	-	-	5,772	2,838
1,423	4,353	4,832	67	4,014	1,607	399,764	-
3,647	4,804	4,840	411	3,612	1,585	-	381,859 2/

2/ Includes imports in 1,000 gallons from : Bahamas 843; Cambodia 1,969;
Greece 1,247; India 5,554; Israel 3,348; Leeward and Windward Islands 1,273;
Morocco 3,947 and United Kingdom 5,529.

Table 6.--Molasses, inedible: U. S. exports by country of destination and customs districts, 1971

	De- troit	Duluth	Florida	Great Falls	New Orleans	New York	North Dakota	Puerto Rico	San Diego	Seattle	Total 1971	Total 1970
	--1,000 gallons--											
Canada	116	21	-	356	-	-	454	-	-	-	947	1,277
Costa Rica	-	-	4	-	-	-	-	-	-	-	4	-
Ghana	-	-	-	-	6	-	-	-	-	-	6	-
India	-	-	-	-	-	-	-	-	-	-	-	92
Israel	-	-	-	-	741	-	-	-	-	-	741	5
Mexico	-	-	-	-	-	-	-	-	14	-	14	64
Netherlands.....												
Antilles	-	-	-	-	-	-	-	-	-	-	-	2,254
Netherlands	-	-	-	-	-	-	-	2,419	-	-	2,419	6,540
United Kingdom..	-	-	-	-	-	6	-	-	-	-	6	9
Total 1971 ...	116	21	4	356	747	6	454	2,419	14	-	4,137	-
Total 1970 ...	361	-	-	64	106	-	712	8,794	64	140	-	10,241

Bureau of the Census

Table 7.--Molasses: Estimated utilization, United States, 1967-71

Year	Industrial				Mixed feeds,:	
	Distilled spirits	Yeast, citric acid	Pharmaceuti- cals and edi- ble molasses	Total	direct feed- ing and silage ^{1/}	Apparent utilization
	--Million gallons--					
1967	28.7	100.0	51.5	180.2	503.3	683.5
1968	17.8	100.0	52.5	170.3	567.9	738.2
1969	6.2	100.0	53.5	159.7	559.5	719.2
1970	7.6	100.0	54.0	161.6	604.1	765.7
1971 ^{2/}	7.7	94.0	54.2	155.9	604.7	760.6

^{1/} Molasses utilized in feeds is estimated by subtracting molasses used industrially from estimated mainland supplies without considering changes in stocks.

^{2/} Estimated

Table 8.--Feed and industrial molasses: U. S. production, inshipments, imports, and exports, 1964-71

Year	Production				
	Cane				
	Mainland mills <u>1/</u>	Refiners' black- strap <u>2/</u>	Inshipments		Total cane
			Hawaii <u>3/</u>	Puerto Rico <u>4/</u>	
--1,000 gallons--					
1964-68 average..	91,058	42,801	57,320	12,009	203,188
1969	74,139	42,700	48,430	4,778	170,047
1970	86,037	46,600	56,937	3,193	192,767
1971 <u>7/</u> ...	87,500	45,000	50,111	1,452	184,063

Year	Production			Estimated: domestic supplies	U. S. imports	U. S. Mainland: exports	Estimated available supplies
	Beet	Citrus	Hydrol				
	5/	6/	7/				
	8/	8/					
--1,000 gallons--							
1964-68 average	119,791	9,835	24,251	357,065	313,447	2,507	668,005
1969	155,700	13,732	21,000	360,479	361,663	2,992	719,150
1970	158,700	11,808	22,000	385,275	381,859	1,447	765,687
1971 7/...	146,300	10,215	22,000	362,578	399,764	1,718	760,624

1/ Statistical Reporting Service, U.S. Department of Agriculture

2/ Agricultural Stabilization and Conservation Service,
U.S. Department of Agriculture

3/ Shipments to U.S. mainland only. Hawaiian Sugars Planters Association.

4/ Shipments to U.S. mainland only. Bureau of Census.

5/ Year beets harvested. Agricultural Stabilization and Conservation
Service.

6/ Florida Citrus Processors Association.

7/ Estimated.

8/ Bureau of the Census, Department of Commerce.

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Agricultural Marketing Service

Grain Division

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